

To Members of the California State Assembly:

I am returning Assembly Bill 2019 without my signature.

This bill would give tenants the ability to initiate legal action against an owner of publicly subsidized, rent-restricted, or assisted housing if the owner fails to provide the proper legal notice when the owner decides to remove the property from the subsidized housing market.

This measure, while well intentioned, attempts to achieve this goal by expanding the number of individuals who have standing to initiate legal action and enforce current notification requirements. This could increase overall litigation throughout the state. In addition, owners, who may have simply been unaware of the notification requirements, may face excessive and unnecessary delays or court costs prior to the sale or transfer of their property. These types of delays and burdens could discourage potential buyers of the affordable housing development and increase the chances that individuals who own, or are considering the purchase of, affordable housing units will choose not to enter the market.

For these reasons, I am unable to sign this bill.

Sincerely,

Arnold Schwarzenegger